

The Build Back Better Act Would Expand Economic and Educational Opportunity and Build Better Lives for America's Children

In November, House Democrats passed the Build Back Better Act, a historic bill that would expand economic opportunity for millions of working families and a crucial part of President Biden and Congressional Democrats' Build Back Better Agenda. This legislation will strengthen economic and educational opportunities for America's families and children by delivering affordable child care, lowering costs for middle-class families, and expanding access to universal pre-kindergarten for 3-and 4-year olds. Here's a look at what's in the House-passed bill:

<u>Access to Child Care</u>: American families currently spend an average of \$8,355 per child annually for child care. The Build Back Better Act would deliver the largest expansion of affordable child care for middle-class families in American history, which experts say would allow parents to more easily <u>reenter the workforce</u>.

- Provisions in the bill would ensure that middle-class families pay no more than 7% of their income on child care, <u>expanding access to 9 out of 10 families with children in the United States</u>. Experts believe that this could save families <u>in 32 states over \$100 each week</u> in child care expenses.
- The Build Back Better Act will also improve compensation opportunities for child care providers, which will allow talented, passionate workers to stay in the sector while expanding access to professional development and training opportunities to ensure that children receive high-quality care.

<u>Universal Pre-Kindergarten</u>: Early childhood education delivers lifelong economic benefits for children by better preparing them to succeed in school. Pre-K and other child care programs also help parents improve their labor productivity by enabling them to <u>more easily join the workforce or pursue additional education</u>, boosting America's economic competitiveness.

The Build Back Better Act would help states expand access to free preschool for over 6 million children each year. Parents would additionally be able to send their children to a wide range of providers, including public schools, Head Start programs, and other providers.

Expanded Child Tax Credit: The American Rescue Plan, passed and enacted by Congressional Democrats in March, included a historic expansion of the Child Tax Credit. This expansion covered the parents of nearly 90% of American children and delivered tax cuts of \$3,600 for child up to age six and \$3,000 for children over the age of six to the vast majority of American families. Studies suggest that this expanded tax credit could halve child poverty nationwide.

The Build Back Better Act would ensure that eligible families continue to receive this monthly
tax cut next year. Data shows that the vast majority of parents receiving these credits are
spending the payments on basic needs and household expenses such as food,
housing, utility bills, and education.